1917-18

Serial Nos. 1 to 6

(Legis)

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1 to 6

Part B for December 1917

SUBJECT.

rans to Members of
anaging Committees of
Co-operative Institutions

2) To the Compiler, Mysore Gazette
No J 215-7 Dt 19-12-1917
Orders the Publication of the draft
under the Mysore Co-operative
ties Regn 1905 - for fixing the maximum
and the Local Area the Debt-

191 7-18

ENERAL AND REVENUE SECRETARIAT.

(Legis)

NOTES.

20-17

File No. 1220 7/17

FILE HEADING.

Loans to members of managing committees of Coopve Institutions.

rom

The Registrar of Coopve Societies

No. C 3 Dated 22.10.17 Received 24/25.10.17

iary No. 2301 | Enclos. | Spare Copies. | Serial No. 1

BRIEF ABSTRACT OF LETTER.

Suggests the desirability of restricting loans granted to Committee members of Coopve societies having credit, as their principal object, and recommends that a provision be made in the new Regulation or the rules to the effect that the total amount of loans due by committee members in a credit society at any time should not exceed either 15 or 20 p.c of the total loans outstanding against all members

~~NOTES AND ORDERS.~~

a Coopve Institution has had to wound up or do unsatisfactory work owing to the want of suitable men who will undertake the supervision & management of such institutions He has separately been asked to send up a scheme intended to secure the recruitment of proper persons as Honary Workers for the supervising & attending to the work of Coopve Societies

(2) The present proposal of the Registrar involves a measure of far reaching importance whose immediate effect if sanctd will be to make the task of securing good Coopve workers still more difficult

by the Managing Directors and not to restrict in any way the amount of financial assistance available for members ~~of the~~ whether on the Directorate or not

(4) If panchayet members use undue influence & participate to a large extent in the loans obtained from the Banks, it is open to the Regr and his staff, ~~to~~ under the existing rules, to go into the matter in detail and set right such affairs. A provision in the Regulation or rules will not by itself, rectify existing abuse if any. It may also be generally assumed that panchayet members ordinarily have better security to offer & in consequence enjoy larger financial help

) The proposed restriction seems to be very necessary.

Yr orders

Secy

) I would fix the limit at present at 25 p.c. If this is approved I shall arrange with Br Tel to have a suitable addition made to the rule

No. 11 Subd. with a draft notn
under sec 27 (2) (b) of the
Mysore Cooperative Societies Regn,
1905. Under subsection (4)
of the section previous publication
is necessary

21/11/17 12) The draft notification is in
accordance with rules already in force, and
may be approved.

Second Member

2 To The Compiler
Mysore Gazette

Notn 2157 19th Dec 17

Orders the publication of the draft
Rules under the Mysore Cooperative
Societies Regn. 1905 for fixing the
maximum shares that could be held

Extract of Y.O. letter No 21/12/17 from
the Registrar of Cooperative Societies
in Mysore suggesting ~~an amendment~~

Two points have been referred to in Mr Chandy's D.O. one is about the maximum amount of loan to the committee members. a

The first refers to a draft rule proposed to be issued under the Regn and Mr Chandy's opinion will be considered along with others that may be brought forward before the rule is finally approved.

× × × ×

× × × ×

× × ×

Gntd 9.5.21/1/21

In my opinion it is desirable to limit the amount of loans to committee members (want?) members. At present owing to proper restrictions the committee members board the bulk of the loans. The 0 per cent limit suggested by Mr Chandy has as it would not place the committee members under any serious disadvantage in obtaining a reasonable

(c) The 1st point may be ~~awaited~~ considered when the rules are finally drafted. The recommendation may be accepted

× × × ×

Asst A.R.O.B.
9/1/18

Subject Excepting the suggestion from Mr Chaudy referred to above no suggestions have till now been received. The draft note finally issuing the rule with the modification suggested by Mr Chaudy incorporated as ordered by the Secretary above Member, is put up.

9/1/18 In favour of approval of Mr Chaudy's recommendation maybe accepted & that contained in the Secretary's note in paragraph 7 above

Mis 1085-17
Edn.

G. R. S. III-2]

General and Revenue Secretariat. | Leg File No. 20

Serial No.	
	~~2~~ (Mis Kerala) 1873
209 13.3.18	
	Ag 18.3
	Bv III
← Reminder to from in time	B
Secy A 24/4	Revenue 1873/.v
	Issue: 23/4/3
3	To the Compiler Mysore Gazette no J 3958 26th Mar 1918
	Ordering the publication of the rules re limit to the amount of loans admissible to committee members
	To the Registrar of Cooperative Societies no J 3959 26th Mar. 1918
	Forwards copies of the above
4.	No S 306 dated 11th April 1918 From the Regr of C.S.
	Requests that 500 spare copies of the rules ~~cut~~ may be sent to him Early
	Only 500 spare copies of the and 800 in Kannada have

sheet.

To The Registrar of Cooperative Societies in Mysore

No. J 4344 26th April 18

Forwards 400 copies of notification in English and informs that on receipt of the share copies of the notification in Kannada some copies of the same will be sent to him

Sub. Share copies of the Note in Kannada 800 have been received A draft is put up forwarding 600 copies thereof as noted above

24/5/18

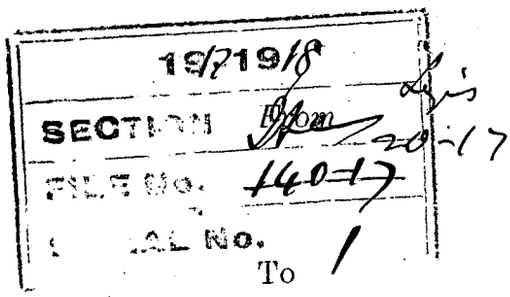
Issue

29/5/18

G. R. S. III-2)

General and Revenue Secretariat. | csess File No. 20 of 191 7

Serial No.	
6	To The Registrar of Co-operative Societies in Mysore no D4609 1st June 1918 Forwards 600 copies of the notification in Kannada.



K. CHANDY ESQ., B. A.,
Registrar of Co-operative Societies in Mysore,
BANGALORE.

To

P.G. D'Souza, Esq., B.A. B.L.
Secretary to the Government
OF H. H. THE MAHARAJA OF MYSORE,
Depts. of Education and Agriculture,
BANGALORE.

SIR,

I have the honor to state that the desirability of restricting loans granted to Committee Members in Co-operative Societies having credit as their principal object, was discussed at the last Session of the Mysore Provincial Co-operative Conference. Some members were of opinion that the grant of loans to Committee Members should be restricted, whilst some others opposed such a restriction.

2. In my opinion it is necessary that there should be a restriction in the amount of loans to be participated by the members of the Committee for the time being or by any individual influential member. In several cases, where large amounts have been borrowed from the Central Banks the panchayat members themselves have taken a great portion of loans. Under the system now in vogue, the panchayat members themselves who participate in the loans assess their own credit. The overd amount of loans and renewals granted last year by several societies work out at 60 per cent of the total loans outstanding. I fear that the societies wherein the above system prevails may collapse, as the Committee Members who are themselves heavily indebted

From

K. CHANDY ESQ., B. A.,
Registrar of Co-operative Societies
IN MYSORE

To

Secretary to the Government
OF H. H. THE MAHARAJA OF MYSORE,
Depts. of Education and Agriculture,
BANGALORE.

Dated ~~Bangalore~~ Camp Mysore 23.10 191
Despatched
Received
General No. C-3 C.S. Nil

Enclosure No. ——

Requesting that a provision may be made in the Regulation rotating loans to committee members in agricultural societies

indebted to the society may not pay sufficient attention to the punctual collection of the loans advanced by the society. Such contingency, even if it happens in a few cases, is calculated to shake the confidence of the people in the Co-operative Societies and no opportunity should be allowed for the happening of such a contingency. Besides, the very object of Co-operation is frustrated when a few influential members take large loans on the joint security of all the members and for such an object no facilities as now exist under the Regulation, ought to be provided. His Highness the Yuvarajah, when opening the Seventh Mysore Provincial Co-operative Conference spoke as follows on the point:--

"I need hardly add that funds invested in large loans to a comparatively small number of members would be more usefully employed if utilized in smaller loans to a larger number and that the tendency, if any, on the part of a few influential members to monopolize a large proportion of the funds of the society should be noticed and ~~put a stop to~~ Corrected."

I am therefore strongly of opinion that the taking of loans by Committee Members or by a few influential members should be restricted by legislation. In the case of all new societies to be formed hereafter I have power to insist on a provision in the byelaws laying down a percentage up to which loans may be taken by Committee Members and I have issued orders that a byelaw should be added to every new society that the maximum loan taken by all the Committee Members should not exceed 15 per cent to 20 per cent of the total. In Bombay the proportion is only 10 per cent. In regard to old societies, however, I have no such power. Now that the amendment of the Co-operative Societies Regulation is under consideration in the Legislative Council, I request that a provision may be made in the Regulation or the Rules to the effect that the total amount of loans due by Committee Members in a credit society at any time should not

exceed

exceed either 15 or 20 per cent of the total loans outstanding against all the members.

I have the honor to be,

Sir,

Your most obedient servant,

R E G I S T R A R.

CWR

G. R. S. VI—G/32]

SUBJECT Publication draft Rules under the Mysore Co-operative Societies Regn, 1905, for fixing the maximum loans that could be left a

Diary No. of letter replied to.....

GENERAL AND REVENUE SECRETARIAT,
( )
, the 191 .

Date of issue 19.12.17

Signed by M.C.S. Balasundaram

Section Legis
File No. 20-17
Serial No. 2

Notification
No. J 215 7

To

clause (3) of
Under section 27 (~~3~~) of the Mysore Co-operative Societies Regulation, 1905, Government are pleased to publish for general information the following draft rule proposed to be issued under sub-clause (f)

thereupon ~~if any~~, that may be received will be taken into consideration on 1.3.19

By order

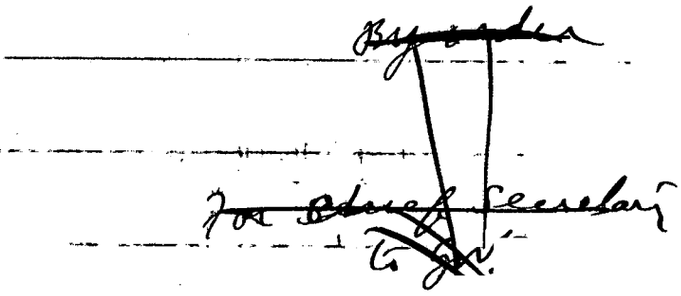
~~By~~ Chief Secy to G

Draft Rules

Under sub-clause ~~Clause~~ (f) of clause ~~sect~~ of section 27 of the Mysore Co-operative Societies Regn., 19 Government are pleased to make the following Rule ~~applicable to~~ in regard to the members of the managing Committee every co-operative Society in the State

"The Total amount of loans issued by any co-operative Society in the State and outstanding against the members of its managing Committee in the aggregate

25% per centum of the total of all loans issued by the Society and outstanding against its members at that time



To the Compiler
Mysore Gazette for
publication in Part-III
of the Mysore gazette in
English and in Kannada
and to supply to them
three 30 copies in English
and 10 in Kannada

NOTIFICATION.

No. J. 2157—Legis. 20-17-2, dated 19th December 1917.

Under clause (3) of Section 27 of the Mysore Co-operative Societies Regulation, 1905, Government are pleased to publish for general information, the following draft rule proposed to be issued under sub-clause (*f*) of clause (2) of Section 27 of the Regulation.

The draft rule together with any suggestions that may be received will be taken into consideration on 1st March 1918.

By Order,

C. S. BALASUNDARAM IYER,
Chief Secretary to Government.

Draft Rules.

Under sub-clause (*f*) of clause (2) of Section 27 of the Mysore Co-operative Societies Regulation, 1905, Government are pleased to make the following rule in regard to the members of the Managing Committee of every Co-operative Society in the State:—

"The total amount of loans issued by any Co-operative Society in the State and outstanding against the members of its Managing Committee in the aggregate shall not at any time exceed 25 *per centum* of the total of all loans issued by the Society and outstanding against its members at that time"

(18

Extract of para (1) of D.O. letter dated 1st Dec 1917 from the Registrar of Cooperative Societies in Mysore

"(1) Re the loan to committee members the maximum in Bombay is 10 p.c. and I think that 20 p.c. is a safer minimum than 25 p.c.

Under sub-clause (*f*) of clause (2) of Section 27 of the Mysore Co-operative Societies Regulation, 1905, Government are pleased to make the following rule in regard to the members of the Managing Committee of every Co-operative Society in the State:—

"The total amount of loans issued by any Co-operative Society in the State and outstanding against the members of its Managing Committee in the aggregate shall not at any time exceed ~~20~~ 25 *per centum* of the total of all loans issued by the Society and outstanding against its members at that time

Provided that the Registrar may for sufficient reasons and subject to such restrictions as may be considered necessary exempt any particular society or class of societies from the operation of this rule

By Order

Chief Secy to Govt

OFFICE OF THE
REGISTRAR OF CO-OPERATIVE SOCIETIES
IN MYSORE.

Dated, Bangalore, 11th April *191* 8

~~K. CHANDY, ESQ., I.C.S.~~

The *Registrar of Co-operative Societies in Mysore,*
BANGALORE.

C.S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government
OF H. H. THE MAHARAJA OF MYSORE,
~~Deputy of Education and Agriculture~~

SIR,

With reference to Memo No.J.3959/Legis. 20-17-3 dated 26th March 1918 forwarding a copy of Notification No.J.3958/ Legis.20-17-3 dated 26th March 1918 prescribing a limit to the amount of loans admissible to Committee Members, I have the honor to request that 500 spare copies of the notification may kindly be supplied to this office for reference and distribution

I have the honor to be,
Sir,
Your most obedient servant,

R. Ranga Rao

R E G I S T R A R
in-charge.

From

~~K. CHANDY ESQ., B. A.,~~

Registrar of Co-operative Societies

IN MYSORE.

14333

To

Secretary to the Government

OF H. H. THE MAHARAJA OF MYSORE,

~~*Depts. of Education and Agriculture,*~~

BANGALORE.

Dated Bangalore 11. 6. 1918

Despatched 13

Received

General No. 5306 C.S.

Enclosure No. Nil

Requests the Govt. Orders with copies of the Notification regarding limit of the loans allowable to Committee members of Co-operative Societies

Section Legis
File No. 20-17
Serial No. 5

No. J 4344 (400 Copies)

To
The Registrar of Co-operative
Societies in Mysore
Bangalore

Sir

As desired by you I am
~~directed to forward herewith~~
in your letter No. 5-306
dated 11th April 1918 regarding
I am directed to forward
herewith 400 Copies of
Notn. No. J 3958 - Legis 20-17-3
dated 26th March 1918 in

English and to inform you
that on receipt of the
Spanish of the bill in Kanaka
same ~~same~~ copies of the same
will be sent to you

I have &c.

Es
-ai/4
To Chas Jay